

among the banks. These ends were accomplished by conferring important powers on the Canadian Bankers' Association, which had been organized in 1892 as a private voluntary association. Under its original powers, the association consisted of the various banks, with their officers and employees, and acted through an executive council, whose acts were subject to approval or veto by the Association at its annual meetings.<sup>1</sup> This Association in 1900 was given corporate form and authorized to establish clearing houses and to make rules for their government, subject to the approval of the Treasury Board of the Dominion Government. Authority was given to the association to regulate the making and issue of bank-notes in order to promote uniformity and prevent fraudulent over-issue.<sup>a</sup> Up to 1908 the action taken under this head was only to arrange for returns from the bank-note printing companies of monthly statements of notes delivered to the respective banks and to compare these statements with similar statements from the banks of notes received and destroyed. Many Canadian bankers favor the ultimate introduction of the American system, by which a central authority shall control absolutely the making and cancellation of the notes.

Of a broader character were the provisions of the Act of 1900 regarding the management of suspended banks. This subject was placed substantially under the control of the Canadian Bankers' Association, by conferring upon it authority to appoint a curator to conduct the affairs of a suspended bank until it might resume or liquidate. The curator thus appointed is subject to removal by the Association. He has 'all powers and shall take all steps and do all things necessary or expedient to protect the rights and interests of the creditors and shareholders of the bank, and to conserve and

<sup>1</sup> Breckenridge, in *Quarterly Journal of Economics* ^ August, 1900, XIV., 545.

<sup>2</sup> It was just before the revision of 1900 was undertaken that fraudulent over-issues of notes by the *Banque Ville Marie* were discovered, amounting to about \$300,000. — *New York Banker?* *Magazine*, March, 1900, LX., 334.